



December 1999

Regulatory Handbook

Compliance Activities

Office of Thrift Supervision

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*Approved—FFIEC

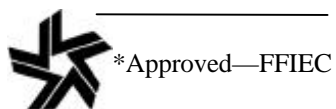
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500	Community Reinvestment Act*
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SUMMARY OF CHANGES

Compliance Activities Handbook Summary of Changes December 1999

Section	Reference/Synopsis
Chapter 100	Administration
125	The Compliance Report of Examination (CROE) guidelines and format are revised to incorporate OTS's conversion from WPS to a Microsoft Word document.
Chapter 200	Fair Lending
201	Interagency Fair Lending Examination Procedures: This FFIEC-approved section reflects the newly developed procedures that establish a common platform for the federal banking regulatory agencies to examine compliance with the Fair Housing Act and the Equal Credit Opportunity Act. These procedures introduce a determination by the agencies that fair lending compliance examinations should be risk-based and take into consideration each savings association's particular loan product mix, market demographics and past performance, as well as the nature and quality of data available from or about the savings association.
205	Equal Credit Opportunity Act: This section reflects the legal privilege for savings associations to voluntarily conduct self-tests to determine the level of compliance with the Equal Credit Opportunity Act. This privilege applies to the report or results of the self-test and data or factual information created by the self-test. The savings association is required to take appropriate corrective action when the self-test shows that a possible violation occurred.
Chapter 300	Consumer Laws and Regulations
300	Fair Credit Reporting Act: Although FFIEC approved and OTS adopted revised interagency procedures for examining for Fair Credit Reporting Act compliance in 1999, these new procedures are not included in the handbook because they are subject to further revision as a result of the passage of the Gramm-Leach-Bliley Act of 1999. We will provide appropriate updates as soon as possible.
310	Restitution: The Interagency Policy Statement and Q & As were revised by the FFIEC to incorporate recent statutory changes to certain tolerances and provisions contained in the Economic Growth and Regulatory Paperwork Act of 1996.
315	OTS Mortgage Regulations: This section reflects a revision to the adjustable rate mortgage disclosure requirements with a simple cross-reference to the Regulation Z disclosure provisions, issued by the Federal Reserve Board under the Truth-in-Lending Act.
325	Consumer Leasing Act: This section reflects the Federal Reserve Board's revisions to Regulation M. The revisions require lessors to provide consumers with uniform cost disclosures. Several technical amendments to Regulation M comment on lease payments, advertisements and the treatment of taxes.

SUMMARY OF CHANGES

- 330 Electronic Fund Transfer Act: This FFIEC-approved section reflects the revisions to the examination procedures and several amendments to Regulation E. The amendments implement provisions of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 which exempts certain electronic benefit transfer programs from the Electronic Fund Transfer Act.
- 340 Flood Disaster Protection Act: This FFIEC-approved section includes an Appendix incorporating the Interagency Questions and Answers Regarding Flood Insurance.
- 360 Homeownership Counseling Procedures: This FFIEC-approved section has been reinstated due to the approved funding from the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1999, that amended the Housing and Urban Development Act of 1968. It also reflects the eligibility of homeownership counseling for a first-time home buyer applying for a HUD-insured, 97 percent or higher LTV mortgage.
- 370 Electronic Banking: This section reflects guidelines and policies for the development and employment of new electronic technologies and for delivering financial products to improve customer service at a lower cost.

Chapter 400 Compliance Laws and Regulations

- 400 Bank Secrecy Act: This section reflects the revisions to the examination procedures that were effective November 1, 1998. The revised procedures focus on the detection and prevention of money laundering and suspicious activities.
- 415 Economic Sanctions: This section has been revised to reflect the Office of Foreign Assets Control's implementation of its website. Savings associations are able to access the web page for current economic sanctions and can download the information at any time.

Chapter 500 Community Reinvestment Act



*Approved—FFIEC



CAH UPDATE 12/99-1

Compliance Activities Handbook Update Summary of Changes April 2000

This is the first update of the Compliance Activities Handbook that was published December, 1999. In addition to the major examination procedure changes or issuances listed below, a few corrected pages are included with this update.

Section	Reference/Synopsis
Chapter 300	Consumer Laws and Regulations
300	Fair Credit Reporting Act : This section covers the FFIEC approved and OTS adopted examination procedures revised to reflect the restoration of the federal banking agencies' full examination authority as provided for in the Gramm-Leach-Bliley Act of 1999. The prescreening appendix to the prior procedures is discontinued.
323	Homeowners Protection Act: This new section contains the FFIEC approved and OTS adopted examination procedures. Interim procedures previously implemented by OTS are superseded by this issuance.

**Instructions on Updating the Compliance Activities Handbook
April 2000**

Discard

Table of Contents, p. i and ii

(No prior pages)

Section 300 (December 1999)

Section 300A (December 1999)

Pages 305.5 - 305.6

Pages 315.4 - 315.4 (double page)

(No prior section)

Pages 340.13 - 340.14

Pages 500A.1 - 500A.2

Insert

Table of Contents, p. i and ii

Pages v and vi (Update 12/99-1)

Section 300 (April 2000)

(No replacement)

Pages 305.5 - 305.6

Pages 305.6i - 305.6ii

Pages 315.3 - 315.4

Section 323 (April 2000)
(including Appendix)

Pages 340.13 - 340.14

Pages 500A.1 - 500A.2

For Further Information Contact: Your Office of Thrift Supervision (OTS) Regional Office or the Compliance Policy Division of the OTS, Washington, DC. If you wish to purchase a handbook and a subscription to the updates, please contact the OTS Order Department at (301) 645-6264.

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